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IDAHO PUBLIC
UTILITIES COMMISSION

Attorney for the Idaho Conservation League

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

| | |
|---------------------------------|------------------------------|
| IN THE MATTER OF IDAHO POWER) | CASE NO. IPC-E-14-09 |
| COMPANY'S PETITION TO) | |
| TEMPORARILY SUSPEND ITS PURPA) | IDAHO CONSERVATION LEAGUE |
| OBLIGATION TO PURCHASE ENERGY) | |
| GENERATED BY SOALR-POWERED) | PETITION TO CLARIFY ORDER NO |
| QUALIFYING FACILITIES ("QF").) | 33043 |
|) | |

Pursuant to Rule 325 of the Idaho Public Utilities Commission's ("Commission") Rules of Procedure, the Idaho Conservation League (ICL) respectfully submits this Petition to Clarify Order No. 33043. Overall ICL supports the Commission's decision. Our concern is with this sentence: "We believe the benefits and value of solar generation are reflected in the solar avoided cost rates and not part of consideration when developing the costs of integrating solar." *Order No 33043* at 8. We are concerned because this statement goes beyond the narrow issues before the Commission and the statement does not comport with the Commission's description of the IRP methodology in Order No 32976, GNR-E-11-03. We request the Commission clarify Order No 33043 by simply striking the above sentence.

The Commission addressed a narrow issue here: whether to stay Idaho Power's solar PURPA obligation or order the inclusion of an integration charge in solar PURPA contracts. *Order No 33043 at 1*. The Commission specifically excluded consideration of "whether and what type of integration charge may be appropriate." *Id.* By opining on the types of benefits and values to include or exclude from an integration charge, the Commission went beyond the scope of the narrow issues noticed for hearing in Order No. 33039.

While the Commission's "belief" as to whether avoided cost rates incorporate the "benefits and value of solar generation" is not a finding of fact, we are concerned that it could be interpreted by some as precluding exploring that question in subsequent proceedings. Striking the sentence will avoid confusion and possible further litigation before the Commission.

The Commission previously endorsed the IRP methodology because it "recognizes the individual generation characteristics of each project by assessing when the QF is capable of delivering its resources against when the utility is most in need of such resources. We find that the resultant pricing is reflective of the value of the QF energy being delivered to the utility." *Order No 32697 at 20*. Further, the Commission adopted Idaho Power's "single run" scheme to find the highest incremental cost in each hour of QF delivery. *Id.* Avoided cost rates are clearly from the utility or systemic perspective and are not developed based on the characteristics of the QF. The rates do not reflect the value of the QF; they reflect the value of a generic avoided resource.

We are concerned about confusion from Order No 33043 because integrating individual resources is something different than payments for energy and capacity. As the Commission recognized here the appropriate integration charge "may vary from very little to more based project location, project size, and other factors." *Order No 33043 at 8*. But the avoided cost rate does not capture these location and project specific attributes. Because individual solar projects have unique benefits and values in terms of integration, we recommend the Commission clarify Order No 33043 by striking the sentence: "We believe the benefits and value of solar generation are reflected in the solar avoided cost rates and not part of consideration when developing the costs of integrating solar." *Order No 33043 at 8*.

Respectfully submitted this 2nd day of June 2014,


Benjamin Otto
Idaho Conservation League

CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of June 2014, I delivered true and correct copies of the foregoing PETITION TO CLARIFY to the following persons via the method of service noted:

Hand delivery:

Jean Jewell
Commission Secretary (Original and seven copies provided)
Idaho Public Utilities Commission
427 W. Washington St.
Boise, ID 83702-5983

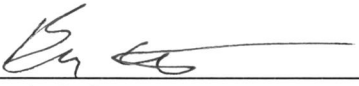
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